



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

PUBLIC WORKSHOP NOTICE

February 1, 2018

TO: INTERESTED PARTIES
FROM: EXECUTIVE OFFICER / APCO
SUBJECT: **PUBLIC WORKSHOP – DRAFT AMENDMENTS
TO REGULATION 3: FEES**

The Bay Area Air Quality Management District will conduct a public workshop on **Tuesday, February 20, 2018, starting at 10:00 AM**, to discuss draft amendments to District Regulation 3: Fees. The workshop will be held in the 1st floor Yerba Buena Conference Room at the District's office located at 375 Beale Street in San Francisco and will be simultaneously webcast.

The amendments to the District's FYE 2019 fee regulation would be effective on July 1, 2018, and would increase fee revenue in order to help the District recover a greater share of the costs the District incurs in implementing and enforcing regulatory programs for stationary sources of air pollution. The following changes to the District's existing Fee Schedules are proposed based on a recently updated analysis of cost recovery for regulatory programs:

Schedule A	Hearing Board Fees	15 % increase
Schedule B	Combustion of Fuels	3.1 % increase
Schedule D	Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants and Terminals	8 % increase
Schedule E	Solvent Evaporating Sources	9 % increase
Schedule F	Miscellaneous Sources	7 % increase
Schedule G1	Miscellaneous Sources	9 % increase
Schedule G2	Miscellaneous Sources	15 % increase
Schedule G3	Miscellaneous Sources	3.1 % increase
Schedule G4	Miscellaneous Sources	15 % increase
Schedule H	Semiconductor and Related Operations	9 % increase
Schedule I	Dry Cleaners	15 % increase
Schedule K	Solid Waste Disposal Sites	15 % increase
Schedule M	Major Stationary Source Fees	3.1 % increase
Schedule P	Major Facility Review Fees	7 % increase
Schedule R	Equipment Registration Fees	15 % increase
Schedule S	Naturally Occurring Asbestos Operations	3.1 % increase
Schedule T	Greenhouse Gas Fees	8 % increase
Schedule V	Open Burning	3.1 % increase

The following specific fees in Regulation 3 are proposed to be increased by 3.1% based on the 2017 Consumer Price Index for Bay Area Urban Wage Earners and Clerical Workers (CPI-W):

- Section 3-302: New and modified source filing fees
- Section 3-311: Banking filing fee and withdrawal fee
- Section 3-312: Regulation 2, Rule 9 Alternative Compliance Plan fee
- Section 3-318: Public Notice Fee, Schools
- Section 3-320: Toxic Inventory maximum fee
- Section 3-327: Permit to Operate renewal processing fee
- Section 3-337: Exemption Fee

375 BEALE STREET, SUITE 600, SAN FRANCISCO, CALIFORNIA 94105 • 415.771.6000 •

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The following additional amendments are proposed:

- Revise Section 3-302 to specify the fee rates applied. The fee rates applied are those in force when the applicant has provided all the information required per 2-1-402 (excluding 2-1-402.3 fees) to evaluate the project.
- Revise Section 3-342 to add Health Risk Assessment (HRA) review fees to recover the Air District's costs of reviewing HRAs completed by District-approved consultants as required pursuant to Regulation 11, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities.
- Revise Section 3-405 to reduce fees charged to facilities which are more than 30 days late on paying their permit renewal invoice. Historically, these delinquent fees have been assessed at a disproportionately high rate to small businesses such as gasoline dispensing facilities, dry cleaners, and auto body shops. To reduce this burden on small businesses, the proposed amendment would lower this delinquent fee from 50% to 25%.
- Add Section 3-418 to authorize the Air Pollution Control Officer to reduce the fees for transactions using the Air District's online production system. This would help to serve as an incentive for facilities to conduct these transactions online.
- Revise Fee Schedule E: Solvent Evaporating Sources, to directly calculate the fee based on the net amount of organic solvent processed.
- Clarify in Schedule G-1 that Sub-Slab Depressurization Equipment is subject to Schedule F permit fees, not Schedule G-1 permit fees.
- Delete the formula for S_L and its variables and definitions from Schedule N.
- Clarify in Schedule P that Initial Fees do not apply to Title V Renewal applications.

Visit the District's Website for More Information

The proposed amendments to Regulation 3 will be available **by February 8, 2018** on the District's website at www.baaqmd.gov/reg3. Please direct your comments or questions to Barry G. Young, Senior Advanced Projects Advisor, Engineering Division, at (415) 749-4721, or via email at byoung@baaqmd.gov.

Staff will discuss the proposed amendments at the workshop, and will receive written comments until **Wednesday, March 21, 2018**. The link to the simultaneous webcast can be found at www.baaqmd.gov/reg3.